

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
May 2008**

Date: May 15, 2008

To: All Civil Service/Exempt Departments

From: State Controller's Office
Cynthia Rounds, Manager
Ann Mitchell, Manager
Personnel/Payroll Operations
(916) 324-6290/322-7978

Re: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

This recaps the May 8, 2008 Personnel/Payroll Review Committee (PPRC) meeting and provides information for the July 10, 2008 meeting.

We would like to thank those department representatives that participated in the May meeting for their time and effort. There were 38 representatives from 28 departments that participated in this meeting.

Personnel/Payroll Review Committee
May 2008 Meeting Notes

Ann Mitchell called the meeting to order at 1:30.

Departments Represented:

Board of Equalization, California Highway Patrol, California State Library, California Student Aid Commission, Child Support Services, Corrections, Developmental Services, Employment Development Department, Environmental Health Hazard Assessment, Financial Institutions, Fish and Game, Forestry and Fire Protection, Franchise Tax Board, General Services, Health Care Services, Inspector General, Insurance, Justice, Mental Health, Office of Systems Integration, Parks and Recreation, Public Health, Secretary of State, State Controller's Office, State Treasurer's Office, Teale Data Center, Transportation, Victim Compensation and Government Claims Board, and Water Resources.

Old Business:

None.

New Business:

Agenda Items
Distribute Handout Materials
Approve Prior Meeting Notes
Guest Speakers
SCO Update
Department Issues/Concerns

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Confirm Next Meeting Agenda, Time and Place

Discussion:

Approved March 2008 meeting notes.

Guest Speakers:

Sylvia Sadler, Manager 21st Century Project:

Sylvia briefly recapped the 21st Century payroll letter #08-002 which can be found at <http://www.21stcentury.ca.gov/letters/2008/08002.pdf>.

Prior to a preview of the ESS functionality Sylvia advised that the system configuration is not finalized but wanted to show some of the potential of the new HRMS system.

Sylvia also showed a preview of one aspect of the Employee Self Serve component of the new software. Sylvia previewed some of the screens on how an employee, from any PC, could change their address, validate the changes and make edits to changes. This same section of the software, Life Events, is where the employees could preview a paycheck stub or request a duplicate W-2.

Stakeholders can register in LISTSERV from the SCO web page to receive 21st Century Project updates. There will be stakeholder meetings beginning in May. You can see the schedule at <http://www.21stcentury.ca.gov/letters/2008/08003.pdf>.

Question: Are you going to put terminals in the buildings for employees to use? How will the employees be able to access the ESS system?

Answer: For those employees that don't have immediate access an option may be that they will be able to use their computers from home to update/change information. These types of details are being worked out.

Question: If my employee changes his address, how will the department be notified?

Answer: This business process has not been worked out yet.

Question: Will the employee still have to follow the current rules when adding or deleting dependants, the current permitting event process, and bring in supporting documentation (for example a divorce decree or birth certificate)?

Answer: The laws, rules and regulations that are currently in effect will continue to be in place with the new system.

Cece Slater, Disability Insurance Program Manager, EDD:

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Leslie Ferguson, DPA: Cece and Leslie were available to answer questions from the group on SDI concerns and questions regarding SDI for State employees.

Question: Why can't we be notified of the status of our employees, if the SDI claim has been approved, and the benefits paid?

Answer: SDI is an employee funded program, unlike NDI which was a State sponsored benefit. Because it is employee funded, the rules of confidentiality clearly come down on the side of the employee having the right to have this information held private from their employer. However, an employer will receive a Notice of Claim Filed (DE 2503) when an employee files an SDI claim.

Question: The application form has a box on it that indicates it is okay to share this data with my HR shop. Why doesn't that make it alright for you to give me the information?

Answer: That box is intended for employers who are coordinating benefits (paying matching amounts). In these cases it is necessary to share information with the employer. For all other SDI claimants that box is unused.

Question: What if I think that giving my employee pay from the payroll system will create an overpayment when combined with the SDI amounts?

Answer: You only need to consider what the employee is entitled to from the payroll system. If an overpayment is found, EDD will be responsible for collecting the excess.

Question: How can my employee know how to report the pay issued from the payroll system? My employee was assessed a penalty for not reporting all income.

Answer: The employee has several opportunities to report pay from the payroll system to EDD. Claimants are required to certify that they have given a complete report of wages and supplementations received from their employer and/or workers' compensation carrier. When claimants sign the original claim form and continuing claim forms, they are certifying that they have reported all information correctly. Claimants also have an opportunity to inform EDD of any wages received prior to cashing an SDI check. The back of the SDI checks ask the claimant again whether or not they reported all wages to EDD for the period the check is issued

For further information please see PML2006-042.

Question: I have an employee that notified us after the fact that she had received her SDI check and now would like her 40 hours of supplementation. We felt that if we allowed it we would be paying more than her base salary. Were we obligated to pay the 40 hours and would we be responsible for the overpayment?

Answer: SDI is a wage loss program. Therefore, if an employer pays an employee retroactively the employer should notify EDD immediately, informing EDD of the period paid, the amount paid, and the type of leave paid. If EDD determines the claimant is in

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receipt of monies greater than his/her normal wage, an SDI overpayment will be established.

Question: How do you establish the overpayment; do you send collection letters to them?

Answer: EDD establishes overpayments and informs claimants whether or not the overpayment is due to their fault. If a fault overpayment is established a 30% penalty can be assessed. EDD will add the amount of the penalty to the basic overpayment and provide the claimant a total amount due. Claimants are expected to reimburse EDD the total amount of the overpayment by making monthly payments to EDD's Accounting Division. Overpayments are recovered through claimant repayment, by offsetting future SDI benefits, through State Income Tax Returns, and through court order.

Question: Is there training available for SDI?

Answer: DPA will check into this.

SCO Update:

Ann Mitchell addressed the following information:

AB2410 Processing: PPSD processes a report every cycle that identifies separating employees where time paid does not agree with the separation PAR. We use the report to adjust separation pay in order to assist you in meeting your AB2410 timeframes. This report identifies original separations where the time paid does not match time on the PAR. Sometimes it misses a second or third correction to the separation PAR. We work the report every day as a high priority.

If PARs are keyed correctly the system should have generated the regular pay/lump sum time. If the PAR is correct but the system did not generate pay we will issue it per the listing. If the PAR is incorrect for any reason, i.e.; Item 962 not completed, time in 962 does not match 620 time, 606 more time that possible for a monthly employee etc. we will not issue pay until the PAR is corrected. In most cases, once the PAR is corrected the system will generate the pay.

If you have keyed a corrected separation PAR, and you do not get the pay you anticipate within a day or two, verify all items on your PAR. If the PAR is correct call the phone liaison unit right away.

New Supervisor in the W-2 unit: Juanita Luna is our new supervisor in the W-2 unit. Juanita is a long term PPSD staff member. Her most recent assignment was in the CSU unit, however many of you may remember her from the Disability Phone Liaison. Juanita may be reached at (916) 324-4157 or Jtholmer@sco.ca.gov.

Benefit Workload Assignment: We have restructured the Benefit workload division. Please do not call the individual staff. Please use the Benefit Liaison phone (916) 323-4718 for benefit questions.

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Included here is a link to a copy of the handout of [Payroll Documentation Reminders](#) that was made available at the meeting.

Cindy Rounds:

Reminders: Please make sure the time in 'payment should be' on your 674's and 674D's adds up to the time for the pay period. If dock is involved it must add to total time possible in item 6B.

When leaving a voice mail message please include all the necessary information for us to research your question. Please speak slowly and clearly so that we can understand your message.

Direct Deposit: When an employee is changing their financial information they only need to send a change in enrollment. Please do not send a 'cancel' and a 'new' enrollment form. The old account will be cancelled and the new account will be given a new enrollment effective date.

Fiscal Year End: Just a reminder, we are in the middle of fiscal year end processing. The Finance Conversion Code listing and the Annual Payroll Headers (PR421) were sent out the first week of May. They are due back May 22, 2008. If you are unable to meet this deadline please call Cindy Rounds at (916) 324-6290 and we'll work out a new due date for you if possible. If you added any new payroll headers after April 25, 2008, you must send in new forms PR407 to re-establish the header for the new fiscal year. Payroll headers added after April 25, 2008 were not included in the Annual Header PR421 update form.

Vacant position 'saves' due to lump sum need to be emailed to lrasmussen@sco.ca.gov. All we need is the list of position numbers; you are to maintain the backup information in your office. Please remember that lump sum reasons are the only positions we can save prior to running the Vacant Position Report on June 30th. All other save conditions in GC12439 must be re-established after July 1 with either an X or Z document.

607's that you want processed for basic position related items must reach us by June 15th in order to guarantee they will be keyed by June 30th.

If you have 607's that you want processed for the future fiscal year, please do not submit them to SCO before June 25th.

If you send in packages for us to research please make sure you have included your name and number so that we can reach you if we have questions.

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If you have employment history records that need to be updated (correct position number, see that pay issues correctly so that final month of June pay issues to save something from going on the Vacant Position Report) they must be done by June 23rd.

The Final Vacant Position Report will be run on June 30, 2008 and will be sent out the first week in July it will also be available on ViewDirect July 1, 2008.

Any documents you send us to re-establish positions per the Vacant Position Report that fall under GC12439 have to reach the SCO by August 15th. Any that do not make this deadline must be sent to the Department of Finance for approval.

Next Meeting:

The next meeting is Thursday, July 10, 2008 from 1:30 to 3:00 at:

State Controller's Office
300 Capitol Mall, 6th Floor, Room 635
Sacramento, CA 95814

The PPRC encourages attendance by department representatives interested in improving the efficiency of personnel/payroll administration. However, if you are unable to attend these meetings and you have an issue or question you would like the committee to address; please contact Cynthia Rounds or Ann Mitchell with pertinent information.

Listed below are the PPRC meeting dates for the 2008 calendar year. All meetings are from 1:30 to 3:00 at the above location.

July	10,	2008
September	11,	2008
November	13,	2008

Should you have any questions regarding the PPRC meeting or have additional information to provide, please contact either Cynthia Rounds at (916) 324-6290 or Ann Mitchell at (916) 323-2539. They can also be reached via email at crounds@sco.ca.gov and anmitchell@sco.ca.gov, respectively.